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TO : THE DEPARTMENT OF STATE, WASHINGTON DATE July 14, 1953

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SUBJECT: FORTNIGHTLY NEWSLETTER - June 15 - July 11, 1953.

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Details of London Constitutional Revision Talks Not Yet Settled

Despite local conferences between Governor and Nigerian political leaders and between various leaders themselves, questions of composition and agenda of proposed London conferences in re constitutional revision not yet resolved. Suggestions to Governor by local leaders in June 19 meeting still under Colonial Office study. Press reports point of disagreement still invitation of two reps National Independence Party, strongly objected to by AZIKIWE. Congen feels one basic issue is obvious attempts NCNC and AWOLOWO to weight delegation too strongly in their favor. Northern Region government announces plans send to London five-man delegation with ten additional "advisors," latter to include reps NPC, NEPU and Middle Zone League. Not known if NEPU will withdraw original stand that their party will not go if only one member delegation allotted them. NCNC and Action Group leaders reported meeting Ibadan July 16th to consider questions London conference, lack Western Region reps in Nigerian Council of Ministers, and general constitutional revisions.

Western Legislature Rejects Governor's Nominations to Council of Ministers

As result rejection Governor's nominations by joint meeting Western House of Assembly and House of Chiefs, Western Region still without representation in Council of Ministers. Western leaders have maintained since March walkout of House of Representatives and ministerial resignations that they would approve names of four resigned Western ministers to go back to Council and no repeat no others. When Lt. Governor, Sir Hugo MARSHALL, submitted three new names to July 2nd meeting West legislature they rejected almost unanimously. West action no surprise as no reason existed for them retreat from previous stand. Governor nominated Oni of Ife, Tony ENAHORO, S. O. AWOKOYA and S. O. IGHODARO, but only Oni approved.

Oni

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Oni immediately sent resignation to Governor as he says will not return to Council without former ministers PREST, THOMAS, AKINTOLA. All nominees Action Group but they and leader maintained it "base attempt" split party and destroy discipline. Appears obvious Council will remain without Western ministers unless Governor willing take back four who resigned in March, also clear he does not want them back. Difficult for him to overlook grossest of insults these men heaped on him after resignation.

Azikiwe Resigns Western Region House Seat

NCNC leaders announced his resignation seat in Western House of Assembly, as Lagos representative, as expected. Formal choice his party candidates for vacant seat not yet made but at least five local NCNCers want job. Action Group has announced will also contest seat. NCNC will run candidates on "Democratic" party ticket and potential nominees include ex-Mayors of Lagos, OLURUN-NIMBE and OLUYELE BRIGHT as well as NCNC National Secretary, BALOGUN. Elections for Lagos Town Council under new ordinance are expected in October, ending government by Caretaker Committee under Sir Kofo ABAYOMI.

NCNC Announces Suspension Eastern Region Legislature Election Campaign

Party's intensive Eastern Campaign following dissolution Eastern House has been "suspended" by NCNC pending more definite plans being made for the upcoming London conference. Eastern campaign characterized, to date, by reams of harsh words by all candidates. Primary target of NCNC are members and supporters National Independence Party, with several very small parties attracting little attention.

New Party Formed in West

Considerable attention garnered by formation new Liberal Party at Ijebu-Ode. Striking factor is fact lawyer Magnus WILLIAMS, expelled from NCNC, formed party and platform is opposition to self-government in 1956. Williams contends powerful local politicos misleading people in driving for early self-government, with view to obtaining great personal power. Opposition to 1956 self-government radical departure for any Southern party and amount support new party able obtain will be interesting to observe. Williams well-known lawyer in Lagos.

NCNC

NCNC Makes Good Showing in Western Local Elections

Elections to Local Councils completed in Iperu and Ikenne (Awolowo's home town) on July 3rd. Interesting to note results on seats contested, although majority of seats uncontested. Of seven contested seats in these two towns Action Group won seven, NCNC three, and independents won six. It should be noted that NCNC won their three seats in Action Group leader's home division. Similar results were obtained in July 1st election in Ilishan, Akaka, Ishara and Ode Remo where AG won three contested seats, NCNC three seats, and independent one seat. Majority council seats at stake uncontested, being filled at about following ratio: AG-180, NCNC-90, Independents-30. Local British officer in Ikenne division informed reporting officer he convinced Action Group should be beaten easily by NCNC and Independents if general election held now. He feels Obas and other local chiefs, whose influence on people strong, would attempt unseat AG if given chance as they not sure Awolowo interested in their welfare or that of people. This may be true in Ikenne but doubtful if actually true in entire Region. However, unless constitutional revision after London talks makes general Western election necessary, no reason to believe showdown will occur. Local losses by Action Group will have little or no effect control of Region government by Awolowo.

ECONOMIC

Chairman for Proposed Railway Corporation Arrives

Col. Ralf B. EMERSON, appointed Chairman proposed Corporation for Nigeria railways, arrived Lagos July 1st, bringing twenty years experience in Indian State Railways. All circumstances his arrival not happy. Bill for establishment new Corporation not yet submitted to House of Representatives and members of House and Council of Ministers not in complete agreement advisability establishing corporation to take railway out of government. Upon Emerson's arrival, leader of railway workers' union publicly announced that union does not now accept idea of corporation. He made foolish admission union afraid corporation would be forced adopt labor economies if corporation to make profit and that union preferred present labor strength to any layoffs in interests of efficient operation the corporation. Result of union attitude was hissing of Emerson by workers during his first tour inspection local railyards. Emerson currently making inspection tour of railway lines about country.

Local Banks' Weaknesses Continue to be Exposed

City Bank Limited and Onward Bank, both of Lagos, closed during last two weeks. One director of City Bank arrested in

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Accra where he had gone with some of bank's liquid assets. Former Director of Pan Nigeria Bank Limited, recently closed, sentenced July 1st to three years imprisonment for theft of £571 belonging to African Development Corporation, where he went as Office Manager after closure his bank. Onward Bank liquidated because could not meet depositors' demand for withdrawals, presumably as result Nigerian-owned banks' practice of loaning almost all of deposits out at high interest, holding almost no reserves. Continuing cases this type make abundantly clear danger of dealing with any but reliable foreign-owned banks operating here.

Nigerian Import-Export Group Complain Against Foreign Businessmen

Nigerian Association of African Importers and Exporters passed resolution calling on Immigration authorities tighten restrictions against non-Nigerians entering country to engage in export-import business. Association accuses foreigners of "unscrupulous methods to jeopardize the interests of African traders and thus upset the economic equilibrium of the country." In view persistence of bank and trading frauds by Nigerian-owned enterprises, authorities not likely respond to such pressures as Association resolution, so long as British authority sufficient to direct immigration policy.

Nigerian Farmers Union Wants Higher Cocoa Price

Recent general meeting farmers' group passed resolution demanding Cocoa Marketing Board set higher cocoa prices (to £240 per ton) to local producers for next season. They feel buying agents and Board making too much profit and farmer too little. This is renewal of higher price demand made last year.

First Jet Passenger 'Plane Lands at Kano

ON July 5th a U.A.T. (French) Comet jetliner made first such landing on Kano airport's new runway. Jet on maiden flight Paris-Brazzaville. Service to pass through Kano, initially, weekly on Saturdays. This landing brought reminder BOAC cancellation plans for own jet service via Kano to South Africa.

WAAC Staff to be Depleted by Resignations

Estimated thirty non-Nigerian staff members of West African Airways Corporation expected to resign within next four to six months. Those leaving include second-ranking officer of local company, engineering personnel, administrative junior officers and passenger service staff. Reasons for resignations evidently

dissatisfaction

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dissatisfaction with working conditions resulting speedy "Nigerianization" policy of company and concern over future working conditions in view growing nationalism.

Erwin P. Keeler
American Consul General

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